



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 6, 1990

DOGM
MINERALS PROGRAM
FILE COPY

Mr. Delbert Burr
1029 Windsor Drive
Provo, Utah 84604

Dear Mr. Burr:

Re: Permitting Status of the Hobo #1 Mine, S/019/023, Grand County, Utah

The Division, along with representatives of the BLM, Army Corp of Engineers, State Engineers Office, and the Raider Group inspected the Hobo #1 site on October 15, 1990. The primary reason for this visit was to discuss the permitting status of the site, in regard to the 5 acre or under question raised in the Division's August 1, 1990 letter to you.

A rough estimate of the currently disturbed acreage, performed on the day of the inspection, produced an acreage figure of 4.6. Some of the disturbed acreage we had calculated earlier and addressed in our August 1, 1990 letter, to obtain our 6.36 acre figure, was discounted after discussions with Mr. Arlyn Sperry, Raider Group's representative on site.

The acreage currently remains under 5 acres. However, Mr. Sperry indicated that the Raider Group's intentions are to expand the operation another 1.5 - 2 acres. This would place the disturbed acreage well above the 5 acre cut off.

After discussions on site with representatives from the BLM and the Raider Group, it was decided that the operation would have to be covered by a Plan of Operation and a Reclamation Surety Bond. If the operation remains as is, your current Notice will suffice; however, if any further on site development exceeds the 5-acre threshold, you must refile and post bond.

The reclamation surety for a 6-acre site would likely amount to approximately 3,000 - 4,000 dollars. The Division will ask that you submit your own surety estimate along with the new Plan of Operation. Both will then be reviewed by the BLM and this

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Division. Please submit this information directly to the BLM. The BLM will act as the "lead" agency coordinating the review of your Plan of Operations with this office.

Representatives of the Army Corp of Engineers and State Engineer's Office indicated to us that the mining operation had encroached too close to the Dolores River. Apparently, vegetation important in maintaining river embankment stability had been removed or buried. Chad Gourley, of the State Engineer's Office, indicated that the operator will be asked to mitigate these impacts. We will also ask that these impacts be addressed in the Plan of Operation and that you take steps to reduce these impacts as soon as you are given specifics for mitigation by the State Engineer's Office. Mr. Gourley indicated to Mr. Sperry that the Raider Group will be contacted by his office.

Please call me or Holland Shepherd if you need further information. Thank you for your attention to these permitting issues.

Sincerely,



D. Wayne Hedberg
Permit Supervisor

jb

cc: Chad Gourley, Water Rights
Brad Palmer, BLM, Grand Resource Area
David Rupp, BWPC
Bill Stringer, BLM, Moab District
Holland Shepherd, DOGM

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